

**TRANSPORTATION
COMMISSION**

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JACK L. GINGRASS, Vice Chairman
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LH 0-0 (4/99)

STATE OF MICHIGAN



JOHN ENGLER, GOVERNOR

DEPARTMENT OF TRANSPORTATION

TRANSPORTATION BUILDING, 425 WEST OTTAWA POST OFFICE BOX 30050, LANSING, MICHIGAN 48909

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JAMES R. DeSANA, DIRECTOR

October 26, 2000

The Honorable Harry Gast, Chair
Senate Appropriations Committee
Michigan State Senate
P.O. Box 30036
Lansing, Michigan 48909

The Honorable Terry Geiger
House Appropriations Committee
Michigan House of Representatives
P.O. Box 30014
Lansing, Michigan 48909

Gentlemen:

Enclosed is a copy of a resolution authorizing the circulation of a preliminary official statement for State of Michigan State Trunkline Fund Bonds for the Governor's Build Michigan III initiative. Also included is a project listing for the Build Michigan III projects. This resolution was adopted by the State Transportation Commission at their regular meeting of October 26, 2000.

This resolution is transmitted pursuant to Section 18k of Act 51, Public Acts of 1951, as amended and Section 345 of Act 271 of Public Acts of 2000, the Michigan Department of Transportation Appropriation Bill.

Sincerely,

A handwritten signature in cursive script that reads "James R. DeSana".

James R. DeSana
Director

Enclosure

cc: Governor Engler
Senate Appropriations Committee
House Appropriations Committee
Senate Fiscal Agency
House Fiscal Agency

bcc: M. Anderson G. Rosine
V. Agoli D. Novak
W. Niles L. Lambert
B. Hayes E. Timpf

RESOLUTION OF THE STATE TRANSPORTATION COMMISSION
AUTHORIZING THE CIRCULATION OF A PRELIMINARY
OFFICIAL STATEMENT FOR STATE OF MICHIGAN
STATE TRUNK LINE FUND BONDS
AND DECLARATION OF INTENT TO REIMBURSE

PREAMBLES

WHEREAS, under Const 1963, art 9, § 9, as amended, not less than ninety percent (90%) of the specific taxes (except general sales and use taxes and regulatory fees) imposed directly or indirectly on fuels sold or used to propel motor vehicles upon highways and on registered motor vehicles, after payment of necessary collection expenses, are to be used exclusively for the transportation purposes of planning, administering, constructing, reconstructing, financing and maintaining state, county, city and village roads, streets and bridges designed primarily for the use of motor vehicles using tires and reasonable appurtenances to those state, county, city and village roads, streets and bridges;

WHEREAS, under 1951 PA 51, as amended ("Act 51"), all of the above-referenced taxes are required to be deposited into the State Treasury to the credit of the Michigan Transportation Fund;

WHEREAS, under Section 10 of Act 51, a portion of the above-referenced taxes deposited in the Michigan Transportation Fund are required to be allocated and transferred each year to the State Trunk Line Fund in the State Treasury and used for the purposes described in Section 11 of Act 51;

WHEREAS, Section 18b of Act 51 authorizes the State Transportation Commission (the "Commission") to borrow money and issue bonds to pay all or any part of any capital costs for the purposes described in Const 1963, art 9, § 9, and for paying costs relating to the issuance of the bonds;

WHEREAS, the Director has advised the Commission that it is necessary to implement, acquire and construct, and to fund all or part of the costs thereof from the proceeds of the bonds authorized hereby, the projects described on Exhibit A attached to this Resolution (the "Projects");

WHEREAS, the Commission and the Michigan Department of Transportation ("MDOT") may desire to issue bonds for the purpose of reimbursing MDOT for expenditures made prior to the issuance of the bonds;

WHEREAS, United States Treasury Regulation Section 1.150-2 requires an issuer, or an officer designated by it, to make a declaration of official intent in order to allow the issuer to use the proceeds of tax exempt debt to reimburse itself for prior capital outlay expenditures;

WHEREAS, on April 27, 1995, the Commission designated the Director as the Officer to make such declarations on intent pursuant to the prior Treasury Regulation Section 1.150-2;

WHEREAS, the Commission desires to confirm the Director's designation to make declarations of intent.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

Section 1. Necessary for Bonds. The Commission, in accordance with the authorization set forth in Section 18b of Act 51, determines that it is necessary and expedient to implement, acquire and construct the Projects. The Commission further determines that it is necessary to issue bonds, in one or more series, designated State of Michigan State Trunk Line Fund Bonds (the "Bonds"), for such purposes and for paying costs related to the issuance of the Bonds.

Section 2. Approval of Projects; Notification of Legislature. All of the Projects identified in Exhibit A, including their cost estimates, are approved and are determined to be for the transportation purposes set forth in Act 51 and Const 1963, art 9, § 9. The Director is directed to provide, pursuant to Section 18k of Act 51, a letter on behalf of the Commission, to the Senate and House Appropriations Committees, setting forth the purposes of the issuance of the Bonds described in Section 1 and the list of Projects set forth in Exhibit A.

Section 3. Terms of the Bonds. The Bonds shall be issued in the form of fully-registered bonds only pursuant to one or more resolutions of the Commission authorizing the issuance, sale and delivery of the Bonds (the "Bond Authorizing Resolutions"), which shall establish or shall establish a method of determining:

- (a) the interest rate(s) and interest payment date(s) for the Bonds,
- (b) the principal amount of, and principal payment dates for, the Bonds,
- (c) the redemption provisions for the Bonds,

- (d) the authorized denominations in which the Bonds may be issued,
- (e) the purchase price(s) to be paid for the Bonds,
- (f) the date(s) and the form(s) of the Bonds,
- (g) the series designation for each series of Bonds, and
- (h) such other terms and conditions of the Bonds as may be necessary or appropriate.

Section 4. Preliminary Official Statement. The Director is authorized to have a preliminary official statement prepared for the Bonds. The Director is further authorized to deem the preliminary official statement final, in consultation with the Michigan Department of Attorney General and bond counsel, for purposes of Securities and Exchange Commission Rule 15c2-12.

Section 5. Authorization of Filings and Actions. The Chairperson of the Commission, the Director, the State Treasurer or, under his authorization, any Deputy State Treasurer, and all other appropriate officers of MDOT and the Commission are authorized, on behalf of the Commission, to take all actions, and execute all documents that shall be necessary or desirable to implement this Resolution including, but not limited to, the selection of bond counsel, underwriters and a financial advisor for MDOT, securing approval from the Department of Treasury to circulate a preliminary official statement and to sell the Bonds, if deemed appropriate by the Director, and securing ratings from nationally recognized bond rating agencies. Any such actions which are already completed are ratified.

Section 6. Designation. The Director is designated and confirmed as the officer to declare the official intent on behalf of the Commission and MDOT that they reasonably expect to reimburse capital expenditures with the proceeds of debt to be issued pursuant to Act 51. The expenditures, as appropriate, will be payable from the State Trunkline Fund.

Section 7. Immediate Effect. This Resolution shall be effective immediately.

I certify that the foregoing is a true and complete copy of a resolution duly adopted by the State Transportation Commission, State of Michigan, at a special meeting held on the 26th day of October, 2000, the original of which is on file with the official records of the Commission, the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with all relevant rules of the Commission and the Open Meetings Act, 1976 PA 267, as amended, and the minutes of the meeting are kept and will be made available as required by 1976 PA 267.

I further certify that the following Commissioners were present at the meeting: _

Barton LaBelle, Lowell Jackson, Ted Wahby, Betty Jean Awrey, John Garside

_____ and that the following Commissioners were absent:

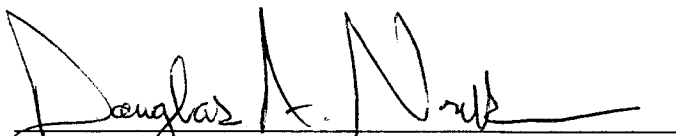
Jack Gingrass

I further certify that Commissioner Garside moved for adoption of the Resolution, and that Commissioner Awrey supported the motion. I further certify that the following Commissioners voted for adoption of the Resolution: _

Barton LaBelle, Lowell Jackson, Ted Wahby, Betty Jean Awrey, John Garside

_____ and the following Commissioners voted against adoption of the Resolution: none

RESOLUTION DECLARED ADOPTED.



Douglas A. Novak, Advisor
State Transportation Commission

ORDER

DEPARTMENT OF TRANSPORTATION

I, James R. DeSana, Director of the Department of Transportation of the State of Michigan, adopt the attached RESOLUTION OF THE STATE TRANSPORTATION COMMISSION AUTHORIZING THE CIRCULATION OF A PRELIMINARY OFFICIAL STATEMENT FOR STATE OF MICHIGAN STATE TRUNK LINE FUND BONDS and DECLARATION OF INTEND TO REIMBURSE, dated 10-26-00, as my act and deed for the Michigan Department of Transportation.

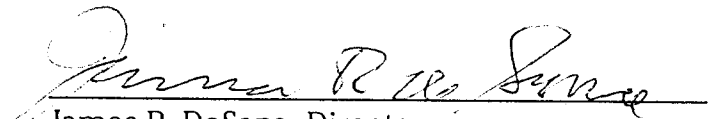
Signed and Dated: October 26, 2000



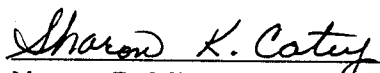
James R. DeSana, Director
Michigan Department of Transportation

STATE OF MICHIGAN)
COUNTY OF INGHAM)

I, James R. DeSana, Director of the Michigan Department of Transportation, on behalf of the State Transportation Commission, provided on October 26, 2000, the Senate and House Appropriations Committees, pursuant to the provisions of Section 18k of Act 51, Public Acts of Michigan, 1951, as amended, with a letter on October 26, 2000 setting forth the description of the projects for which the State of Michigan State Trunk Line Fund Bonds are to be issued. A copy of that letter is attached to this Affidavit.


James R. DeSana, Director
Michigan Department of Transportation

Subscribed and sworn to before me
this 26th day of October, 2000.


Notary Public, Ingham County,
State of Michigan
My Commission Expires: Nov. 23, 2003

DECLARATION OF OFFICIAL INTENT

Build Michigan III Projects

The State of Michigan Transportation Commission (the "Commission") has designated the Director of the Michigan Department of Transportation (the "Director") as the officer to declare, on behalf of the Commission and the Michigan Department of Transportation ("MDOT"), official intent for the purposes of applicable United States Treasury Regulations (now Treas. Reg. 1.150-2) to reimburse all or any portion of a capital expenditure with the proceeds of debt to be issued under 1951 PA 51, as amended ("Act 51").

THEREFORE, the Director makes the following declaration of official intent for the purposes of United States Treasury Regulation 1.150-2:

1. The Commission and MDOT expect to reimburse expenditures made by MDOT for projects authorized by Const 1963, art 9, § 9, and Act 51 with the proceeds of obligations to be issued under Act 51 (the "Obligations").
2. The projects described in Exhibit A attached to this Declaration are the projects for which expenditures are expected to be reimbursed from the proceeds of Obligations.
3. The maximum principal amount of Obligations expected to be issued for the Project, including issuance costs, is \$900,000,000.


James R. DeSana, Director
Michigan Department of Transportation

Dated: October 26, 2000

Build Michigan III

The Michigan Department of Transportation (MDOT), in cooperation with the Michigan Economic Development Corporation, have developed a statewide road infrastructure strategy designed to meet current economic development needs and reduce congestion and improve safety along several freeways, local roads and state trunklines. Many of these projects have been drawn from the research portion of the 5 Year Program. Local projects identified are eligible as Category A, Transportation Economic Development Fund projects. With the announcement of Governor Engler's Build Michigan III plan, funds will be made available to move these projects on to the next phase. Key components of the plan include:

- The expedited completion of the Grand Rapids Southbelt (M-6).
- The design (Early Preliminary Engineering and Preliminary Engineering) dollars available for five major statewide freeway projects, including segments of I-94 in Detroit, I-75 in Oakland County, US-23 in Washtenaw and Livingston Counties, US-31 in Ottawa County, and I-94 in Kalamazoo County.
- The funding of transportation projects, both local and state, that support expected economic opportunities (public safety commitments and enhanced economic development opportunities).
- The expansion of the highly-successful passing relief lane program.

Funding for Build Michigan III is expected to come from the following revenue sources. One hundred million dollars will come from the general fund, and approximately \$800 million will come from the issuance of MDOT bonds. Debt service on the bonds will come from \$35 million annually from the Budget Stabilization Fund interest earnings, and \$5-\$10 million from Category A of the Economic Development Fund. The anticipated \$8 million from diesel tax revenues was not forthcoming. Any remaining debt service needed will come from other sources.

Overall, this proposed program will make a significant contribution to addressing safety and congestion, responding to immediate economic development needs or supporting and fostering the state's continued economic expansion. Funding for projects identified within this program are not included in MDOT's 2000-2004 5 Year Program, however, as mentioned earlier, Build Michigan III will move projects included in the research category of the Program and unfunded phases of committed projects forward.

MDOT BUILD MICHIGAN III PROJECT JUSTIFICATIONS

Accelerate completion of M-6 (South Beltline), Grand Region: This project is being advanced in order to save delay costs to the motoring public. No change is expected in the total cost of constructing this new facility as a result of accelerating the project; however, the value of area wide travel time saved by completing the project three years early will be significant. Build Michigan III will provide \$150 million to advance the completion of the Southbelt, which should be open to traffic in 2005.

DESIGN INVESTMENTS FOR MAJOR FREEWAY IMPROVEMENT PROJECTS

These freeway design improvements were selected based upon the facilities immediate need for reconstruction and capacity needs as identified by MDOT studies conducted in cooperation with the affected local agencies/interests. Federal regulations require fiscal analysis and planning for large scale projects such as these. BM III provides \$150 million to move these projects into the design phase.

I-94, from I-96 to Connor, Wayne County: I-94 in Detroit was identified in a joint MDOT/SEMCOG planning study entitled The Greater Detroit Area Freeway Study, as the freeway in greatest need of improvement. It operates at level of service E and F during peak hours. The need to improve this segment further involves deterioration of the facility due to age and outmoded design. A major objective is to maintain truck mobility, as this segment is part of the hub of interstate-to-interstate and international truck travel. This section of I-94 provides a connection for commercial and trans-continental traffic to the two Detroit/Windsor border crossings. These border crossings support more international trade than exists between Mexico and Texas and Mexico and California combined.

The design will examine options from Do Nothing to widening I-94 by adding an additional travel lane in each direction. A three-lane service drive in each direction may be constructed to improve surface mobility and reduce congestion on the freeway. The project, when completed, may also include reconstruction of the freeway-to-freeway interchanges with M-10 and I-75.

I-75 from I-696 to M-59, Oakland County: A study is currently ongoing to identify the capacity needs of I-75 in Oakland County, and also the associated local road and interchange improvements necessary to improve overall traffic operations in the corridor. SEMCOG is the lead agency on this joint study, with participation from MDOT, the Road Commission for Oakland County, and other affected jurisdictions. The freeway operates at level of service E and F during peak hours. The pavement condition over much of this segment is rated as fair and will be in need of rehabilitation within the next few years. This segment was given the highest priority from the Traffic Improvement Association of Oakland County (TIA), representatives from communities along the I-75 corridor, and the Road Commission for Oakland County (RCOC)

US-23 from M-14 to I-96, Washtenaw County: This segment was selected based upon a freeway study for the Ann Arbor area which it ranked as the number one segment in need of improvement. This study examined freeway needs throughout the Ann Arbor area based upon capacity, condition and safety needs, and was a joint effort between the Ann Arbor Area Transportation Study (UATS), SEMCOG, MDOT, FHWA, the Washtenaw County Road Commission, and the Cities of Ann Arbor and Ypsilanti. The freeway operates at level of service E and F during peak hours from M-14 north to the Six Mile Road interchange.

US-31 from I-196 to I-96 (Holland to Grand Haven): Increasing traffic volumes, including heavy recreational and commercial components, have created a growing trend of traffic backups and serious accidents on US-31 in and between the cities of Holland and Grand Haven. In 1997, 2 of 24 intersections along the corridor operated at a LOS F. With the anticipated growth that will be occurring along the corridor, 20 of 24 intersections will operate at a LOS F by the year 2020. The intent of the US-31 project is to provide for this increasing level of traffic volumes with a route that provides an acceptable level of service and that alleviates the accident problems along US-31.

In addition to the growing traffic volumes and accident occurrences, a need exists for a second crossing of the Grand River. Currently, only one crossing of the Grand River exists in the study area – a bascule bridge in the city of Grand Haven. This bridge carries 58,500 vehicles per day and is projected to carry 83,000 vehicles per day in 2020. Along with these high traffic volumes, frequent openings of the bridge occur during the tourist season, and a potential for operational failure of the bridge exists. A detour route of 40 miles is the only option available during these operational failures.

US-31 is a limited access facility both north and south of this segment. This project would provide system continuity by providing an uninterrupted limited access facility from I-94 to I-96.

I-94 from US-131 to Sprinkle Road, Kalamazoo County: This project was identified in the Kalamazoo Area Freeway Study as the segment most in need of improvement based upon condition and capacity. The freeway study was a joint effort between MDOT, FHWA, the Kalamazoo Area Transportation Study (KATS), the Kalamazoo County Road Commission and affected local units of government. The segment has several structures in poor condition and much of it operates at level of service E during peak hours. The remaining pavement life indicates a need to rehabilitate the roadway before 2008.

MDOT CONGESTION, SAFETY, AND ECONOMIC DEVELOPMENT PROJECTS

M-84 in Bay and Saginaw County: Improvements on M-84 in Bay and Saginaw Counties will allow completion of a TEA 21 High Priority corridor. Environmental clearance for M-84 was completed in 1995, but due to funding shortfalls, the current five year plan enabled construction of only the two ends of the project, leaving unmet travel needs between the two cities. Build Michigan III will complete the central boulevard segment from Pierce Road to Delta Road, improving off-interstate connections, and serving Bay City, I-75, Delta College, Saginaw Valley State University, and the City of Saginaw. In addition to previously programmed funds, which include TEA 21 High Priority Funds, BM III will provide \$25 million to complete the M-84 corridor improvements. Construction will begin in 2001.

Improvements to M-53 (Van Dyke) in Warren, Macomb County: This project will support the redevelopment of the GM Warren Tech Center that is underway. Projects are likely to be traffic operational improvements; however, major reconstruction alternatives such as changing Van Dyke (M-53) from its present seven-lane cross-section to a six-lane boulevard adjacent to the Tech Center are also being considered. MDOT, GM, and local agencies are working to finalize the scope of work. BM III has made up to \$20 million available for these improvements. Construction could begin in 2003.

Improvements to I-75 and Square Lake in Pontiac, Oakland County: This project will support GM's investment in the Centerpoint Campus area. Projects are likely to involve traffic operational improvements. MDOT, GM, and local agencies are working to finalize the scope of work. The proposed improvements are estimated to cost \$3 million and could take place beginning in 2001.

M-59 from Crooks to Ryan, Oakland/Macomb Counties: This segment of M-59 is a four-lane facility. To the west M-59 is a six-lane freeway. This reduction in laneage from a six-lane to a four-lane facility results in undesirable operations and capacity limitations (level of service F). This two-lane section of M-59 is the one remaining bottleneck along M-59 between I-75 and I-94.

MDOT will construct an additional lane on the median side in each direction of M-59, resulting in a six-lane facility through the segment. This six-lane freeway would tie into the existing six-lane facility near Crooks Road, and be carried easterly to Ryan Road. East of Ryan Road, M-59 would remain a four-lane facility. This increase in laneage would reduce congestion in the area, resulting in better operations on the freeway mainline and in the ramp merge/diverge areas. Preliminary engineering should begin in 2001 with construction possible by 2004. BM III has made up to \$30 million available for this project.

I-375 access to the East Riverfront Area (ERFA) and the GM World Headquarters: The I-375 Study Steering Committee arrived at two feasible alternatives for providing direct access between I-375 and the East Riverfront Area (ERFA) of Detroit. The first alternative would provide a direct northbound entrance ramp from south of East Jefferson to I-375. This would service P.M. peak hour outbound traffic. The existing southbound exit ramp at Larned Street would remain the primary access for A.M. inbound traffic. Improvements to the Southbound

Service Drive would improve the flow of inbound traffic, but would not provide direct ramp access to the ERFA. It was estimated that this alternative would cost approximately \$50 million and this amount is included in the 5 Year Program.

The second alternative would provide a direct inbound ramp from I-375 to the ERFA in addition to the improvements included in the first alternative. This alternative would cost an additional \$18 million which represents the amount included in Build Michigan III. This second alternative provides the best level of access and is supported by major stakeholders. Construction is planned for 2002.

Improvements to I-94/Schaeffer Road area in Dearborn: The project would improve access to the Ford Rouge Plant in Dearborn. Ford is looking at the possibilities for a major renovation of the Rouge facility. The interchange at I-94 and Schaeffer Road is in need of modernization. Based upon Ford's facility plan, MDOT will improve the interchange and state access roads serving the plant. MDOT, Wayne County, the City of Dearborn, and Ford representatives are working to develop improvement alternatives which address the current and future needs for this interchange area. BM III has made up to \$50 million available for this work which could begin by 2004.

New US-31 Connector from Napier Road to I-94, Berrien County: This project will complete the final segment of the US-31 freeway which will extend from the state line south of Niles to I-94. The project involves the final 3.7 miles of US-31 freeway from Napier Road to I-94 in Berrien County. This project has received FHWA clearance and has been included as a High Priority Project in ISTEPA and TEA 21. Modifications to the approved alignment are being considered. Construction could begin in 2004. The current estimate is \$80 million to complete this project.

M-63/Klock Road interchange replacement, Berrien County: This project will remove the M-63/Klock Road interchange and replace it with an at grade intersection. The interchange is obsolete and once served the now demolished Whirlpool Plant. The removal of the interchange will support a substantial economic development proposal which will benefit the St. Joseph/Benton Harbor area. The project will be done in conjunction with the demolition and replacement at grade of the Whirlpool bridge on M-63. BM III will provide \$8 million toward the overall improvements to M-63 in this area. Construction will begin in October 2000.

US-131 Schoolcraft railroad relocation and grade separation, Kalamazoo County: This project will relocate and grade separate the CN Railroad tracks in Schoolcraft. The department and CN officials both support the concept of relocating the tracks to a location south of the Village of Schoolcraft. There are currently conflicts between rail traffic, with 30 train operations per day and vehicular traffic (average daily traffic of 20,000) which includes 2,400 trucks. This project would eliminate vehicular delays on US-131 associated with the train crossings. The track relocation will also minimize the taking of farmland when compared to a freeway bypass, which was previously being considered. Farmland preservation was a major local issue in developing this project. Project alternatives are being developed. BM III has made up to \$20 million available for this project. Construction could begin by 2004.

US-2 Iron Mountain, Dickinson County: MDOT had been considering a bypass of US-2 in Iron Mountain. In lieu of this proposal, a series of operational and geometric improvements to existing US-2 in Iron Mountain have been identified in cooperation with the City. The segment of US-2 from Washington Street to Michigan Avenue has been identified for potential widening. The current traffic volumes are about 20,000 vehicles per day with summer volumes exceeding this amount. Truck noise, vibration and safety have been major issues to the downtown business community. Environmental Clearance will begin in 2001. The estimated cost of this project is \$3.5 million.

Millet Road Bridges over I-96 and I-96 Bridges over Canal Road, Eaton County: This project will support the new manufacturing facilities being constructed by GM in Delta Township. This bridge work, in conjunction with local road improvements will provide the necessary access for the new plant. BM III has made up to \$15 million available for these projects. Construction is expected to take place in 2002.

Improvements to US-127 in the vicinity of Michigan Speedway, Jackson County: This project will help alleviate the severe congestion experienced on area roadways before and after major races at the Michigan Speedway. MDOT will widen two small bridges and the shoulders on US-127 to accommodate race day traffic. BM III has made up to \$6 million available for this project which will be constructed in phases in 2001 and 2002.

M-59 from Michigan Ave to US-23, Livingston County: This project will include either a four-lane boulevard or a five-lane cross section. Rapid development in this area and the widening of M-59 to the east of US-23 have increased traffic volumes in this area. With this rapid growth of traffic, a "bottleneck" exists at the M-59/US-23 interchange, and a poor level of service (LOS F) along M-59 to the west. These conditions also greatly affect safety along this route. The upgrade to either a boulevard or five-lane facility will improve the flow of traffic, reducing delays and accidents. This project is consistent with the access control study undertaken between MDOT, Livingston County, and other impacted local agencies. BM III has made \$60 million available for this project which could see construction begin by 2004.

Interchange Improvements at I-96 and Pleasant Valley and along M-59 in Livingston County: A traffic study is being developed for this area. MDOT project responsibilities are likely to only include intersection improvements. These would likely involve M-59 at Pleasant Valley Road and M-59 at Hickory Ridge Road. Nevertheless, the evaluation of the existing I-96 interchanges at Pleasant Valley Road, Kensington Road, and Spencer Road, will also be included. If the interchange at Pleasant Valley is improved costs are expected to be approximately \$20 million.

Statewide Passing Relief Lane Program: This program was developed to provide capacity on roadways where passing opportunities are limited. The limitation may be due to vertical and or horizontal sight distance or the volume of opposing traffic. These improvements are being predominantly undertaken in rural areas where the makeup of traffic is such that there are slower moving vehicles in the traffic mix, such as farm equipment, recreational vehicles or large trucks. The passing lanes provide motorists with a safer means of overtaking slow moving vehicles.

Typically these projects involve roadways that are relatively congested, have high seasonal or year round commercial/ recreational traffic, require little if any right-of-way and will require pavement rehabilitation within the next few years. BM III has made \$47 million available to complete these projects.

JOINT MDOT/LOCAL CONGESTION & ECONOMIC DEVELOPMENT PROJECTS

Grand Rapids Airport Access and 36th Street Extension: The extension of 36th Street to Thornapple River Drive near the Gerald R. Ford International Airport is a major component of the I-96 Airport Area Access Study. Completion of this extension would improve circulation around the airport by providing a connection between Patterson Avenue and Thornapple River Drive via 36th Street. Currently, the most direct east-west route around the airport is provided by either 28th Street or 60th Street. In addition, the extension provides a new connection between GFIA's air cargo facility and the 28th Street Interchange that allows commercial vehicles to avoid the Thornapple River Drive residential area. A practical alternative in the I-96 Airport Area Access Study is construction of a new I-96 interchange near 36th Street and includes the 36th Street extension. This alternative would provide an additional access point to I-96 to relieve - congestion on the local road system. BM III will provide \$10 million towards these improvements. Construction could begin as early as 2004.

Construct Shoreline Drive Connector from US-31BR in Muskegon: This project would include the construction of a connector from Shoreline Drive to the US-31BR. Once this connection is completed by the local road agency MDOT will turn back the US-31BR one way pair downtown and assume jurisdiction over Shoreline as the new BR. The existing BR in this area is congested due to successful redevelopment activities. This new BR location will provide a route with the capacity to safely and efficiently handle through traffic while providing the areas of downtown Muskegon with the level of access to accommodate redevelopment. BM III will provide \$12 million toward this project and construction is planned to begin in 2001.

Improve intersection and relocate Williams Lake Road at M-59: At meetings with official from Oakland County and RCOC, this project was considered a high priority by Oakland County. MDOT will cooperate with the Road Commission by relocating signal and turn lanes to a relocated Williams Lake Road. The project will improve intersection geometry by replacing the current off-set intersection with a typical standard intersection. This improvement will significantly enhance safety at this location. BM III has made up to \$12 million available for this improvement. The Road Commission for Oakland County is developing the implementation schedule.

Construct local road to new M-59/Adams Road interchange: At meetings with official from Oakland County and RCOC, this project was considered a high priority for Oakland County. The construction of the Chrysler Oaktech Project in 1986, and subsequent development in the surrounding area, prompted the department to assess the impact of the traffic generated by this new development. It was determined that the existing interchange at M-59/Adams Road was insufficient to handle traffic, and that even significant modifications to that interchange would not enable the interchange to handle the traffic volumes projected for the area. The preferred

alternative was to construct an additional interchange. The logical location for the new interchange was at Squirrel Road. However, due to minimum spacing requirements for interchanges on freeways, this meant that the interchange at M-59/Adams Road would have to be relocated to the west. Relocating the interchange also requires the relocation of a portion of Adams Road. A relocated Adams Road is essential to the construction of the new Adams Road interchange. MDOT will proceed with the new interchange once the Oakland County Road Commission commits to the relocation of Adams Road. This overall project received environmental clearance from the FHWA in 1995 and will relieve congestion on local roads as well as improving the level of service, interchange spacing and overall freeway operations on M-59. BM III has made \$6 million available for this improvement. The Road Commission for Oakland County is developing the implementation schedule. The city of Rochester Hills indicated a \$10 million commitment for right-of-way on this project.

Pinnacle Park improvements: These improvements will support development at Pinnacle Park, a high tech research park being developed in Wayne County. Construction could begin in 2002.

Hartmond/Hammond corridor, US-31 to Three Mile Road, construct Boardman River Bridge: This bridge at a new location will replace the structurally deficient and functionally obsolete Cass Road bridge over the Boardman River and will improve the east-west mobility through the City of Traverse City. This improved alignment is one of several viable options recommended for additional study by the Traverse City Regional Corridor Study. Due to the structural deficiency of the bridge, the Cass Road bridge will be closed by the year 2015. With this closure and with increasing commercial and industrial development in Traverse City, South Airport Road and Beitner Road, the two crossings of the Boardman River in southern Traverse City, would degrade from a LOS D and B, respectively, in 1997 to a LOS F and E in 2015.

The construction of a new bridge will relieve traffic congestion along the east-west corridors (including US-31) by spreading traffic across three river crossings rather than two. In 2015, under a No Build scenario, South Airport Road and Beitner Road will carry 46,500 and 9,500 vehicles, respectively. With the construction of the Hartman and Hammond Roads bridge connection, South Airport Road will carry 26,500 vehicles, Beitner Road will carry 6,500 vehicles and the Hartman Road and Hammond Road connection will carry 27,000 vehicles in the year 2015. With the new bridge in place, each of these three crossings will operate at an acceptable level of service in 2015 — a LOS D or better. BM III has made \$15 million available for these improvements. Construction could begin in 2002.

South Airport Access Road for Metro Airport: These improvements will support the development of the new Northwest Airlines Midfield Terminal. Improvements will be made at the I-275/Eureka Road interchange as well as to several local roads, including the construction of new access roads. ITS projects to improve traffic flow around Metro Airport will also be undertaken. BM III has made \$31 million available for this improvement. Wayne County has indicated that they were short of funding for this project and it was imperative that the state provide assistance so that construction would begin in 2001.

LOCAL ECONOMIC DEVELOPMENT PROJECTS

Several projects are included in BM III which will fund improvements to local streets to enhance economic development within the state. These projects have been submitted to the Transportation Economic Development Office (TEDF) and have been reviewed in light of the qualification criteria which the Office traditionally uses to award TEDF grants. This program considers such factors as the number of base industry jobs created, the criticality of the transportation project to the economic development, the value of the economic investment, the safety and capacity needs of the existing street system as well as other factors.

Local Road improvements at the Renaissance Center

The local streets surrounding the General Motors headquarters are inadequate to handle current traffic. Access will be redesigned and improved. BM III has made \$25 million available for road improvements which will allow for greater public accessibility to the Renaissance Center and its amenities and alleviate traffic congestion surrounding the Renaissance Center and adjacent properties. Construction will begin in 2001.

Local Road improvements in Pontiac

Local roadways are to be widened with added turn lanes to access refurbished GM Powertrain Facility. 500+ jobs will be added to this site. BM III has made \$11 million available for the reconstruction and extension of Glenwood, Beverly and Highwood Streets, and the improvement of Columbia Avenue. Construction will begin in 2001.

Improvements to Centerpoint Parkway, Bradford Street and Opdyke Road in Pontiac

Centerpoint Parkway needs to be extended, Bradford Street widened, and a turn lane added to Opdyke Road to serve expanding developments with the GM Truck Center East. There will be 1,500 new jobs added to the area. BM III has made \$18 million available for this work. Construction will begin in 2001.

Local Road improvements in Oakland County

Local roads need to be widened and reconstructed to accommodate improvements to the GM Milford Proving Grounds. BM III has made \$2 million available for this work. Construction will begin in 2001.

Improve Access Roads in Warren

The GM Tech Center will require improved access roads with turn lane improvements and new signalization. 1,300 jobs will be added to this site. BM III has made \$10 million available for this work. Construction will begin in 2001.

Local Road improvements in Eaton County

Local roads will be improved to support the new GM plant in Delta Township. BM III has made \$12 million available for this work. Construction will begin in 2001.

Local Roads in Flint

Local roads will be resurfaced, widened, and turn lanes added to provide safe turning movements into the GM V8 and Penske plants. An additional 500 jobs are being added and 652 retained. BM III has made \$6 million available for this work. Construction will begin in 2001.

Local Road improvements in Dearborn

Several local streets including Miller and Schaefer Roads require redesign and reconstruction in conjunction with planned improvements near I-94 to accommodate auto related industries in Wayne County. BM III has made \$10 million available for this work. Construction will begin in 2002.

Grand River Avenue in Novi

Grand River Avenue will be widened and turn lanes added to allow access to the Novi Expo Center and conference site and to relieve traffic congestion in the area. BM III has made \$5 million available for this work. Construction will begin in 2001.

Three Mile Road in Traverse City

Three Mile Road needs improvement to facilitate access for industrial growth in the Aero Industrial Park. This will provide an all-season connection between South Airport Road and US-31/M-72. BM III has made \$2.5 million available for this work. Construction will begin in 2002.

H-58 in Burt Township

This project will widen and reconstruct the only access to Pictured Rocks National Lakeshore and several small campgrounds and state and federal recreation areas. BM III has made \$1 million available for this work. Construction will begin in 2001.

68th Street in Gaines Township

68th Street needs to be widened and upgraded to all-season standards to accommodate the increased traffic at Steelcase. There will be approximately 200 new jobs by 2003. BM III has made \$2 million available for this work. Construction will begin in 2001.

32 Mile Road in Macomb County

32 Mile Road will be widened from 3 to 5 lanes between Powell and M-53 to accommodate the expansion of Ford Motor Company's Romeo Engine Plant. 280+ new jobs will be created at this site. BMIII has made \$3 million available for this work.

Walker Road in St. Johns

The project will reconstruct and widen Walker Road to provide an all-season access to the industrial area. Approximately 24 new jobs will be created in this area. BM III has made \$244,000 available for this work. Construction will begin in 2001.

Bemis, Platte and Willis Road in York Township

These projects would improve three roads to serve a high tech research park. BM III has made \$5 million available for this work. Construction will begin in 2003.

New Road for Industrial Park in Cadillac

This new road will provide the needed access to the industrial park to accommodate the increased traffic created by the US-131 freeway near Cadillac. There will be approximately 280 new jobs added to the area. BM III has made \$800,000 available for this work. Construction will begin in 2001.

Improve Wagner and Liberty Road in Washtenaw County

This project will provide all season access to businesses which utilize these roads. BM III will make \$2.8 million available for these improvements. The Liberty Road improvements will be constructed in 2001 while the Wagner Road work will take place in 2003.

October 26, 2000

BUILD MICHIGAN III: ECONOMIC DEVELOPMENT & INFRASTRUCTURE INVESTMENT INITIATIVE

County	Route	Location	Length	Work Category	Work Description	Budgets				Estimated Project Cost	Estimated Local Share	Net Amount for Bond
						EPE	PE	ROW	CON			
Kent/Ottawa	M-6	I-96 to I-196	20	New Road	accelerate completion of new freeway				\$150,000,000	\$150,000,000		\$150,000,000
<i>Design Investment for Major Freeway Improvement Projects</i>												
Wayne	I-94	from I-96 to Connor	7	Improve Capacity	widen & reconstruct (EPE, PE)	\$1,000,000	\$65,000,000			\$66,000,000	\$8,250,000	\$57,750,000
Oakland	I-75	from I-696 to M-59	16	Improve Capacity	widen (EPE, PE)	\$3,000,000	\$25,000,000			\$28,000,000	\$2,598,531	\$25,401,469
Washtenaw	US-23	from M-14 to I-96	7.74	Improve Capacity	widen (EPE, PE)	\$7,000,000	\$10,000,000			\$17,000,000		\$17,000,000
Ottawa	US-31	from I-196 to I-96	27	New Road	new freeway (EPE, PE)	\$1,000,000	\$27,000,000			\$28,000,000		\$28,000,000
Kalamazoo	I-94	US-131 to Sprinkle	5.78	Improve Capacity	widen (EPE, PE)	\$2,000,000	\$9,000,000			\$11,000,000	\$435,337	\$10,564,663
<i>Congestion, Safety and Economic Development Projects</i>												
Bay/Saginaw	M-84	south of Kochville Road to Euclid Avenue	7.3	Improve Capacity	widen and reconstruct		\$80,000	\$2,700,000	\$22,420,000	\$25,200,000		\$25,200,000
Huron	M-53	between Wadsworth & Popple Roads	1	Preserve	construct passing relief lane		\$213,000		\$1,861,000	\$2,074,000		\$2,074,000
Lapeer	M-53	from (M-90) Burnside Rd to (M-90) North Branch Rd	1.5	Preserve	construct passing relief lane		\$150,000		\$1,850,000	\$2,000,000		\$2,000,000
Lapeer	M-24	north of M-90	1-2	Preserve	construct passing relief lane		\$150,000		\$1,850,000	\$2,000,000		\$2,000,000
Isabella	M-20	east of Coldwater Rd. 1 mile	1	Preserve	construct passing relief lane		\$133,000		\$1,867,000	\$2,000,000		\$2,000,000
Ionia	M-66	between Riverside and Grand River	1-2	Preserve	construct passing relief lane		\$90,000		\$1,110,000	\$1,200,000		\$1,200,000
Mecosta	M-66	from 16 Mile Rd. north 1.5 miles	1.5	Preserve	construct passing relief lane		\$120,000		\$1,480,000	\$1,600,000		\$1,600,000
Macomb	M-53	I-696 to 14 Mile, Warren	0	Improve Capacity	improvements	\$600,000	\$2,000,000		\$17,000,000	\$19,600,000	\$2,450,000	\$17,150,000
Oakland	I-75	at Square Lake Road in Pontiac	0	Improve Capacity	interchange improvements	\$50,000	\$300,000	\$500,000	\$2,000,000	\$2,850,000		\$2,850,000
Oakland/Macomb	M-59	from Crooks to Ryan	5.4	Improve Capacity	widen (chokepoint)	\$600,000	\$1,500,000	\$6,000,000	\$21,900,000	\$30,000,000	\$3,136,125	\$26,863,875
Wayne	I-375	East Riverfront access improvement	0	Improve Capacity	access improvement	\$100,000	\$1,400,000	\$3,600,000	\$12,900,000	\$18,000,000	\$1,845,000	\$16,155,000
Wayne	I-94	Improvements to the I-94/Schaeffer Road area in Dearborn	0	Improve Capacity	improvements near interchange	\$1,000,000	\$2,500,000	\$10,000,000	\$36,500,000	\$50,000,000	\$5,125,000	\$44,875,000
Otsego	M-32	west of Johannesburg	1.84	Preserve	construct passing relief lane		\$150,000		\$1,850,000	\$2,000,000		\$2,000,000
Grand Traverse	M-37	from Vance Rd. to US-31	1	Preserve	construct passing relief lane		\$105,000		\$1,295,000	\$1,400,000		\$1,400,000
Grd Traverse/Kalkaska	US-131	between M-113 and M-72	1-2	Preserve	construct passing relief lane		\$307,500		\$3,792,500	\$4,100,000		\$4,100,000
Kalkaska	M-72	between US-131 and Crawford Co line	1-2	Preserve	construct passing relief lane		\$360,000		\$4,440,000	\$4,800,000		\$4,800,000
Allegan	M-40	south of Hamilton	1.2	Preserve	construct passing relief lane				\$0	\$1,500,000		\$1,500,000
Berrien	US-31 Conn	Napier to I-94	3.7	New Road	construct final link of US-31 Relocation	\$500,000	\$3,500,000	\$16,000,000	\$60,000,000	\$80,000,000		\$80,000,000
Berrien	M-63	at Klock Road	0	Improve Capacity	replace interchange with at-grade intersection				\$8,000,000	\$8,000,000		\$8,000,000
Kalamazoo	US-131	south of Schoolcraft	0	Improve Capacity	rail relocation/grade separation	\$400,000	\$1,000,000	\$4,000,000	\$14,600,000	\$20,000,000		\$20,000,000
Van Buren	M-43	east of Bangor	1.2	Preserve	construct passing relief lane		\$0		\$1,500,000	\$1,500,000		\$1,500,000
Dickinson	US-2	Washington to Michigan Avenue, Iron Mountain	0.75	Improve Capacity	reconstruct and widen	\$200,000	\$500,000	\$2,000,000	\$7,300,000	\$10,000,000		\$10,000,000
Dickinson	M-95	south of the Marquette county line	1-2	Preserve	construct passing relief lane		\$129,375		\$1,595,625	\$1,725,000		\$1,725,000
Mackinac	US-2	west of Naubinway	1-2	Preserve	construct passing relief lane		\$81,000		\$999,000	\$1,080,000		\$1,080,000
Mackinac	US-2	east & west of Borgstrom Rd.	1-2	Preserve	construct passing relief lane		\$113,325		\$1,397,675	\$1,511,000		\$1,511,000
Marquette	M-553	from Fairground Hills to M-94	1-2	Preserve	construct passing relief lane		\$0		\$1,858,000	\$1,858,000		\$1,858,000
Iron	US-2	south of County Rd. 424	1-2	Preserve	construct passing relief lane		\$0		\$1,565,000	\$1,565,000		\$1,565,000
Iron	M-69	east of Crystal Falls	1-2	Preserve	construct passing relief lane		\$139,875		\$1,725,125	\$1,865,000		\$1,865,000
Schoolcraft	M-28	west of Seney	1-2	Preserve	construct passing relief lane		\$0		\$1,900,000	\$1,900,000		\$1,900,000
Schoolcraft	US-2	east of M-77	1-2	Preserve	construct passing relief lane		\$157,500		\$1,942,500	\$2,100,000		\$2,100,000
Clinton/Shiawassee	M-21	between St. John's and Owosso	1-2	Preserve	construct passing relief lane		\$300,000		\$3,700,000	\$4,000,000		\$4,000,000
Eaton	I-96	Millett Rd bridges over I-96 and I-96 bridges over Canal Rd in Delta Tw	0	Improve Capacity	bridge improvements		\$1,500,000		\$13,500,000	\$15,000,000		\$15,000,000
Jackson/Lenawee	US-127	between M-50 south to Vicary Rd	12	Improve Capacity	shoulders and bridges		\$375,000		\$5,625,000	\$6,000,000		\$6,000,000
Livingston	M-59	Michigan Avenue to US-23	9.1	Improve Capacity	widen	\$1,200,000	\$3,000,000	\$15,000,000	\$40,800,000	\$60,000,000		\$60,000,000
Livingston	I-96	at I-96 and Pleasant Valley Rd. & intersections along M-59.	0	Improve Capacity	Interchange improvements & improvements to M-59 intersections	\$400,000	\$1,000,000	\$5,000,000	\$13,600,000	\$20,000,000		\$20,000,000
Washtenaw	US-12	between Clinton and Saline	1-2	Preserve	construct passing relief lane		\$300,000	\$800,000	\$2,900,000	\$4,000,000		\$4,000,000
<i>(continued on next page)</i>												
						<i>Trunkline Subtotal</i>				<i>\$712,428,000</i>	<i>\$23,839,994</i>	<i>\$688,588,006</i>

BUILD MICHIGAN III: ECONOMIC DEVELOPMENT & INFRASTRUCTURE INVESTMENT INITIATIVE

County	Route	Location	Length	Work Category	Work Description	Budgets				Estimated Project Cost	Estimated Local Share	Net Amount for Bond
						EPE	PE	ROW	CON			
Genesee		Improvements to local roads in Flint		Local	improve access	\$28,000	\$344,000	\$550,000	\$8,464,500	\$7,624,500	\$1,624,500	\$6,000,000
Kent		Widen and upgrade 68th Ave. in Gaines Twp.		Local	improve access		\$115,000	\$240,000	\$2,325,000	\$2,680,000	\$680,000	\$2,000,000
Kent		Grand Rapids Airport Access & 36th Street extension		Local	improve access	\$200,000	\$500,000	\$2,000,000	\$7,300,000	\$10,000,000	\$2,000,000	\$8,000,000
Muskegon		Construct Shoreline Drive connector from US-31BR in Muskegon		Local	improve access		\$750,000		\$11,250,000	\$12,000,000	\$2,400,000	\$9,600,000
Macomb		Widen 32 Mile Rd. from 3 to 5 lanes between Powell and & M-53		Local	improve access		\$350,000	\$1,100,000	\$3,850,000	\$5,650,000	\$2,650,000	\$3,000,000
Macomb		Improve access roads in Warren near GM Technical Center		Local	improve access					\$12,500,000	\$2,500,000	\$10,000,000
Oakland		Widen and add turn lanes on Grand River Avenue in Novi		Local	improve access	\$125,000	\$512,000	\$300,000	\$8,975,000	\$10,655,000	\$5,655,000	\$5,000,000
Oakland		Improvements to local roads near Milford		Local	improve access					\$2,500,000	\$500,000	\$2,000,000
Oakland		Improve intersection and relocate Williams Lake Road at M-59		Local	improve access	\$240,000	\$600,000	\$2,400,000	\$8,760,000	\$12,000,000	\$2,400,000	\$9,600,000
Oakland		Construct local road to new M-59/Adams Road interchange		Local	improve access				\$16,000,000	\$16,000,000	\$10,000,000	\$6,000,000
Oakland		Improve Centerpoint Parkway, Bradford St. and Opdyke Rd. in Pontiac		Local	improve access					\$22,500,000	\$4,500,000	\$18,000,000
Oakland		Local widenings and improvements in Pontiac		Local	improve access	\$88,284	\$725,000	\$960,035	\$12,788,000	\$14,561,319	\$3,561,319	\$11,000,000
Wayne		Local improvements for auto industry in Dearborn		Local	improve access	\$75,000	\$1,078,000	\$916,500	\$13,747,665	\$15,817,165	\$5,817,165	\$10,000,000
Wayne		Improvements to local streets surrounding the Renaissance Center		Local	improve access					\$40,000,000	\$15,000,000	\$25,000,000
Wayne		South Airport Access improvements		Local	improve access				\$31,000,000	\$31,000,000	\$6,200,000	\$24,800,000
Wayne		Improvements to support development at Pinnacle Park		Local	improve access				\$5,000,000	\$5,000,000	\$1,000,000	\$4,000,000
Grand Traverse		Hartman/Hammond corridor, US-31 to Three Mile Road, construct Boardman River b		Local	improve access	\$300,000	\$750,000	\$3,000,000	\$10,950,000	\$15,000,000	\$3,000,000	\$12,000,000
Grand Traverse		Improve Three Mile Rd. in Traverse City		Local	improve access	\$2,000	\$166,000	\$695,000	\$2,262,000	\$3,125,000	\$625,000	\$2,500,000
Wexford		Construct new road for industrial park in Cadillac		Local	improve access		\$75,000	\$120,000	\$1,023,500	\$1,218,500	\$418,500	\$800,000
Alger		Widen and reconstruct (H-58) access to Pictured Rock National Lakeshore		Local	improve access	\$35,000	\$275,000	\$60,000	\$4,830,000	\$5,200,000	\$4,200,000	\$1,000,000
Clinton		Reconstruct and widen Walker Rd. to provide all season access to industrial park		Local	improve access		\$5,000		\$411,000	\$416,000	\$172,000	\$244,000
Eaton		Improvements to local roads in Eaton County		Local	improve access		\$1,000,000	\$3,000,000	\$11,000,000	\$15,000,000	\$3,000,000	\$12,000,000
Washtenaw		Improve Bemis, Platte & Willis Rds. in York Twp.		Local	improve access					\$6,250,000	\$1,250,000	\$5,000,000
Washtenaw		Improve Wagner and Liberty Roads		Local	improve access		\$175,000		\$2,625,000	\$2,800,000	\$560,000	\$2,240,000
						Local Road Subtotal				\$269,497,484	\$79,713,484	\$189,784,000

Build Michigan III Totals \$981,925,484 \$103,553,478 \$878,372,006